



# *informational*

## *Bulletin*

Brian Hamer, Director

## **New Requirements for Tobacco Products Commonly Known as Little Cigars**

### ***To: Tobacco Distributors***

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This bulletin is written to inform you of recent changes; it does not replace statutes, rules and regulations, or court decisions.

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Some tobacco products previously regulated and taxed under the Tobacco Products Tax Act, meet the new definition of “cigarette” and will be regulated and taxable under the Cigarette Tax Act and the Cigarette Use Tax Act effective July 1, 2012.

### **What is the definition of “cigarette” effective July 1, 2012?**

**Effective July 1, 2012**, “cigarette” means any roll for smoking made wholly or in part of tobacco: 1) irrespective of size or shape, whether or not such tobacco is flavored, adulterated or mixed with any other ingredient, and the wrapper is made of paper or 2) labeled as anything other than a cigarette or not bearing a label, if it ***meets two or more of the following criteria***:

1. the product is sold in packs similar to cigarettes
2. the product is available for sale in cartons of ten packs
3. the product is sold in soft packs, hard packs, flip-top boxes, clam shells, or other cigarette-type boxes
4. the product is of a length and diameter similar to commercially-manufactured cigarettes
5. the product has a cellulose acetate or other integrated filter
6. the product is marketed or advertised to consumers as a cigarette or cigarette substitute
7. other evidence that the product fits within the definition of cigarette

### **Do packages of little cigars meeting the definition of cigarette need to be stamped?**

Yes. On or after July 1, 2012, all packages of little cigars meeting the definition of cigarette must be stamped prior to being sold or used.

**For information or forms**  
Visit our website at:  
[tax.illinois.gov](http://tax.illinois.gov)

Call us at:  
217 782-6045

Call our TDD  
(telecommunications device  
for the deaf) at:  
1 800 544-5304

### **What type of license do I need for these products?**

Effective July 1, 2012, you must be licensed as a cigarette distributor under the Cigarette Tax Act or Cigarette Use Tax Act to possess unstamped little cigars meeting the definition of cigarette.

You must be licensed as a cigarette distributor under the Cigarette Tax Act or Cigarette Use Tax Act to purchase cigarette stamps.

**Note:** This change will also affect the return you are required to file.

### **What if I have packages of little cigars meeting the definition of cigarette in quantities of less than 20?**

Cigarette distributors must use the stamp for a package of 20 cigarettes on any package containing less than 20 little cigars meeting the definition of cigarette. Cigarette distributors are authorized to apply for a credit for overpaid tax.

### **How will these new requirements affect retailers?**

Retailers will have until August 1, 2012, to sell their present inventory.

On August 1, 2012, unstamped little cigars meeting the definition of cigarettes that are in their inventory will be considered contraband cigarettes and will be subject to seizure and forfeiture.

All little cigars meeting the definition of cigarettes purchased by retailers on or after July 1, 2012, must have a cigarette tax stamp affixed.